



MoneyTalk

9 Things to Know about Negotiation

Realistically evaluate yourself and how you respond to conflict. Don't be afraid to get help if you need it.

As you go about your workday, do you take time to negotiate the obstacles you face regularly, or do you just walk away in disgust?

Don't walk away. Face those obstacles and negotiate. Especially in these difficult economic times, your ability to negotiate may mean the difference between success and ruin. All you need is effective negotiation skills.

Here are nine things you need to know before you approach your next negotiation.

1. Every negotiation brings an opportunity for meaningful and positive interaction. So instead of seeing your negotiations as a way to control conflict, view them as possibility-seeking endeavours.

2. Negotiation is a process, not an event. A diagram of what a negotiation should look like includes four fluid phases. The first phase is individual planning, preparation and analysis. This is followed by relationship building. Next comes an information exchange that includes a first offer, persuasion, concessions and compromise. Finally, there's agreement.

3. Before you ever meet the person on the other side, prepare. Do your homework. Find out as much as you can about your fellow negotiator and what his or her interests might be. Learn the facts and know your alternatives.

4. Be ready to deal with conflict. Know yourself and your responses to conflict. If you're afraid of conflict, you may not be able to move through a difficult but necessary discussion. Often the goal in negotiation is to respond without reacting, which can be difficult if you are emotionally triggered or an emotional person. Staying focused on your breathing will help. But if you know that an issue carries too much of an emotional charge, take someone with you or send someone else to handle the negotiations and/or close the deal for you. (Yes, good cop/bad cop is a negotiation strategy.)

5. Work with, not against, the person on the other side. Use your best communications skills; be clear and concise. Ask open-ended questions, then be quiet and listen. Be flexible and open to unseen possibilities.

6. Seek to understand the cultural and personality factors that may impact the process, but don't stereotype or pigeonhole.

7. Be prepared for dirty negotiation tactics. Dirty tactics fall into three categories: deliberate deception, psychological manipulation and positional pressure maneuvers. When faced with a dirty negotiator (e.g., the car salesman who leaves you sitting in a room for long periods of time), you have three options. You can identify and confront the dirty tactic, you can fall prey to it, or you can walk away. Make your decision based on the circumstances and your motivation. Remember, you choose your response.

8. Power is a critical concept in many negotiations. When negotiating, always consider possible power imbalances and the differences between having "power over" (coercion, control and dominance) and having the "power to" (the ability to act, to influence, to say no). Additionally, take into account the power source, which might be money, position, rank or the personal power that emanates from a person's individual characteristics. Finally, keep in mind that often a more motivated negotiator can overcome a lack of power.

9. There are five basic negotiation styles: competing, avoiding, accommodating, compromising and collaborating. Each style has strengths and weaknesses. Each can be effective at certain times, in certain situations and with certain individuals. While each of us has a preferred style, knowing when and how to use each style appropriately can produce the most successful results.

Competing works when winning is the goal and winning is more important than the relationship with the person on the other side.

Avoiding can be effective when neither the goal nor the relationship with the person on the other side is important. However, women often overuse this tactic. When we withdraw, we risk our own goals and miss the chance to improve the connection with the person on the other side; so use this strategy with care.

Accommodating works best when the goal is to maintain relationships and please the other side.

Compromising is effective when you want to find a quick balance between meeting goals and building or maintaining a relationship.

Collaborating is effective when it is critical to both meet one's goals and improve a relationship. While this may sound like the ideal strategy, it's not appropriate for every situation; collaboration may be time-consuming. Also, it often requires a commitment to the process that isn't realistic unless a serious level of connection exists between the parties.

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